

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Central Services	(2) MEETING DATE 8/9/2016	(3) CONTACT/PHONE Shauna Dragomir, Real Property Manager (805) 781-5206	
(4) SUBJECT Request to approve a First Amendment to Lease with San Luis Obispo Coastal Unified School District for 4,800 square feet of modular office space at 1981 Vicente Drive, Building "A" in San Luis Obispo for the County Health Agency, Behavioral Health Department, Mental Health Division to continue its San Luis Obispo Outpatient Youth Services Program and Day Treatment Program, for up to ten (10) additional years. District 3.			
(5) RECOMMENDED ACTION It is recommended that the Board: 1. Approve the First Amendment to Lease with San Luis Obispo Coastal Unified School District for 4,800 square feet of modular office space at 1981 Vicente Drive, Building "A" in San Luis Obispo for the County Health Agency, Behavioral Health Department, Mental Health Division to continue its San Luis Obispo Outpatient Youth Services Program and Day Treatment Program for up to ten (10) additional years. 2. Authorize the Chairperson to sign the First Amendment.			
(6) FUNDING SOURCE(S) Fund Center 166 - Behavioral Health Department (16601 - Mental Health Division); Revenue Sources - Medi-Cal and Realignment	(7) CURRENT YEAR FINANCIAL IMPACT \$30,000 - No change to existing budget	(8) ANNUAL FINANCIAL IMPACT \$30,000 - No change to existing budget	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 3			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Central Services / Shauna Dragomir, Real Property Manager
(805) 781-5206

DATE: 8/9/2016

SUBJECT: Request to approve a First Amendment to Lease with San Luis Obispo Coastal Unified School District for 4,800 square feet of modular office space at 1981 Vicente Drive, Building "A" in San Luis Obispo for the County Health Agency, Behavioral Health Department, Mental Health Division to continue its San Luis Obispo Outpatient Youth Services Program and Day Treatment Program, for up to ten (10) additional years. District 3.

RECOMMENDATION

It is recommended that the Board:

1. Approve the First Amendment to Lease with San Luis Obispo Coastal Unified School District for 4,800 square feet of modular office space at 1981 Vicente Drive, Building "A" in San Luis Obispo for the County Health Agency, Behavioral Health Department, Mental Health Division to continue its San Luis Obispo Outpatient Youth Services Program and Day Treatment Program for up to ten (10) additional years.
2. Authorize the Chairperson to sign the First Amendment.

DISCUSSION

On March 27, 2014, the General Services Agency Director approved a lease for a period of two (2) year and three (3) months ("Lease") with San Luis Coastal Unified School District ("District") for 4,800 square feet of modular office space at 1981 Vicente Drive, Building "A" in San Luis Obispo ("Premises"). The Lease provided a location for the County Health Agency, Behavioral Health Department, Mental Health Division ("Mental Health") to operate its San Luis Obispo Outpatient Youth Services Program and Day Treatment Program. The Lease expired June 30, 2016 and is currently in Holdover as provided for in the Lease. The current monthly rental rate is \$2,500.00 (\$30,000.00 annually).

The San Luis Obispo Outpatient Youth Services Program is integrated with the County Office of Education program at other buildings adjacent to the Premises, with County Mental Health Division staff and County Office of Education staff co-located together on the same campus to provide education and mental health services to the public. The San Luis Obispo Outpatient Youth Services Program and Day Treatment Program have operated at the Premises since April 1, 2014.

The proposed First Amendment to Lease ("First Amendment") would allow the San Luis Obispo Outpatient Youth Services Program and Day Treatment Program to continue operating at its existing location for up to an additional ten (10) years. The First Amendment would amend the Lease Term to be for a period of seven (7) years, three (3) months which commenced on April 1, 2014 and provide for a new Lease termination date of June 30, 2021. The First Amendment also provides for one (1) Option to further extend the Lease Term for an additional five (5) year period.

The First Amendment would update standard County terms regarding the Americans Disability Act. There are no other changes to the Lease terms and conditions as a result of the First Amendment.

OTHER AGENCY INVOLVEMENT/IMPACT

The Real Property Services Division of Central Services prepared the First Amendment and negotiated its terms and conditions with the District on behalf of the Health Agency. The Health Agency reviewed the First Amendment and approved its terms and conditions. County Counsel reviewed and approved the First Amendment as to form and legal effect.

FINANCIAL CONSIDERATIONS

This First Amendment would provide for a continued monthly Rental of \$2,500.00 (\$30,000.00 annually). This Lease will not impact the Health Agency's adopted level of General Fund support for FY 2016-17, as the Rental would remain fixed and would not increase during the duration of the Lease Term nor the Option period.

Mental Health is responsible for continuing to pay their monthly pro-rata share of utilities, including electric, water, sewer, trash, in addition to janitorial and telephone service. The District is responsible for costs associated with exterior maintenance, fire prevention, real property taxes and insurance.

RESULTS

Approval of the First Amendment would allow the County Health Agency, Behavioral Health Department, Mental Health Division to continue operating its currently offered San Luis Obispo Outpatient Youth Services Program and Day Treatment Program in its existing location, to continue meeting the community's needs under the Mental Health Services Act. This action supports the County's desired community-wide results of a well-governed and healthy community.

ATTACHMENTS

1. Location Map
2. First Amendment to Lease